

Tapes 147-148, (A\B)
Public Hearing: SB 700A, SB 743
Work Session: SB 700A, SB 743
SENATE COMMITTEE ON REVENUE AND SCHOOL FINANCE
May 9, 1991 1:00 PM Hearing Room A State Capitol Building
Members Present: Senator Jane Cease, Chair
Senator Joan Dukes, Vice Chair
Senator John Brenneman
Senator Shirley Gold
Senator Ron Grensky
Senator Bill McCoy
Senator Tricia Smith

Staff Present: Dick Yates, Legislative Revenue Office
Mary Ann Zimmermann, Committee Assistant

Witnesses Present: Senator Jim Bunn, District 15
Lois Anderson, Legislative Assistant for Senator
Paul Phillips

Gary Potter, Oregon Employment Division
Dale Derouin, Oregon Employment Division
Jim Brown, Department of Revenue (DOR)

TAPE 147 SIDE A

005 CHAIR CEASE called the meeting to order at 1:25 and conducted administrative business.

PUBLIC HEARING - SB 700-

A

026 SEN. BUNN discussed Section 1 of SB 700A explaining the change applies only to the Senate and not the House of Representatives. The bill deals with the voluntary expenditure limitations for State Senate candidates.

063 SEN. BUNN continued explaining SB 700A.

090 SEN. SMITH asked if there was anything in the bill that would limit the amount of a contribution made by an individual.

100 Discussion follows regarding the cost involved in the expenditure limitation. It was clarified if both candidates accepted or declined the limit then no public funds would be used. Ideally both candidates would be prompted to accept the limit.

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114 SEN. BUNN clarified the only time public funds would be involved is when one candidate accepts the limit and the other does not.

118 SEN. SMITH asked how SB 1150 interacts with SB 700A.

123 SEN. BUNN responded that the majority of SB 1150 is in SB 700A. The differences between the two bills was addressed with SB 1150 needing a Constitutional amendment to make the bill work.

135 SEN. BRENNEMAN explained his opposition to SB 1150 because it does not allow a contributor to take a tax credit if the candidate did not accept the voluntary contribution which punishes the donor.

145 SEN. BUNN addressed the fiscal impact of SB 700A which will be reduced. Sen. Bunn requested the Committee to rescind the referral to Ways and Means.

158 JIM BROWN explained the main fiscal element in SB 700A was the additional administrative cost involved in providing additional tax packets. Examples were provided of issues that will already need to be

included in additional tax packets so there will be little impact with the inclusion of this bill.

200 DICK YATES questioned Section 17 in SB 700 and it was clarified that Section 17 was removed from the SB 700A. Discussion follows regarding excess money.

WORK SESSION - SB

700 A

231 MOTION SEN. MCCOY moved to send SB 700A to the President of the Senate's desk with a request that the subsequent referral to Ways and Means be rescinded and SB 700A go to the Senate Floor with a do pass recommendation.

245 VOTE In a roll call vote the motion was adopted (6-0).

Senator Dukes was excused. Senator Bunn will

carry the

bill to the floor.

PUBLIC HEARING SB

743

254 LOIS ANDERSON explained the concept of SB 743 would consolidate functions of the Department of Revenue (DOR) and the Employment Division which in some cases overlap.

276 LOIS ANDERSON suggested reevaluating the goals of the DOR and Employment Division and consider if additional steps can be taken to consolidate auditing and collections. The intent of SB 743 is to provide an opportunity to find additional economies and efficiencies.

324 GARY POTTER presented a brochure explaining the mission statement and goals of the Oregon Employment Division. EXHIBIT 1

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351 DALE DEROUIN addressed the concern for efficiency and explained how House Joint Resolution 24 developed a task force representing various agencies to deal with the efficiency issue.

383 DALE DEROUIN explained the task force also recommended House Joint Resolution 10 which recommended HB 3219. Discussion follows regarding HB 321 9.

404 DALE DEROUIN recommended not to combine the audit collection functions of the Employment Division and DOR. Discussion includes how the two departments audit for two completely different things.

425 Discussion follows regarding the difference between the DOR and the Employment Division.

TAPE 148 SIDE

A

008 SEN. SMITH asked for an explanation of why the Employment Division is opposed to SB 743.

018 GARY POTTER responded the legislation would not be necessary at this time because there is already a partnership in existence.

022 DALE DEROUIN addressed the impact of SB 743 would be the lose of service to employers by the way things are collected. Discussion follows.

032 SEN. SMITH asked if the bill were passed the Employment Division would still be doing the same thing except for the collection of taxes.

037 DALE DEROUIN responded it would not be justified to maintain the staff in the Employment Division therefore services would be cut.

065 SEN. SMITH questioned what would happen if SB 743 was passed.

067 JIM BROWN explained the tax functions of employment would transfer to

the DOR. The three areas being dealt with would include auditing, collections, and accounting. There is some overlap in the workload between the two agencies and an interim study found some changes would be necessary if the systems were joined. Money may be saved in some areas but others would require additional costs.

119 JIM BROWN discussed the specific functions between the Employment Division and the Department of Revenue.

144 SEN. DUKES clarified that the Employment Division was opposed to SB 743 and asked what the DOR thought of the bill.

150 JIM BROWN responded the DOR does not have a position and could provide reasonable administration to the program but the Department is not searching for new business.

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155 CHAIR CEASE adjourned the meeting at 2:08.

Mary Ann Zimmermann, Office Manager

Kimberly Taylor, Office Manager

EXHIBIT SUMMARY

1. Brochure, Oregon Employment Division, 5/9/91 - SB 743

2. Staff Measure Summary, Sen. Redistricting Committee, 5/9/91- SB 700 A

3. Fiscal Analysis, LFO, 5/9/91 - SB 700A

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